

attached; or they may be registered or inscribed in the holders' names, in the books of the bank or agent in England who acts for the particular colony in the issue of the loan. In the former case the Bonds can, on sale, pass from hand to hand in exchange for money in the same manner as bank-notes ; in the latter case, a sale can only be effected by the execution of a short Deed of Transfer by the vendor.

The comparative safety of the two modes of security will be discussed. In respect of Bonds to Bearer the possibility exists of the loss or robbery of the documents, and the uncertainty of position thus entailed, besides the trouble, while they are in possession, of cutting off the coupons for presentation for payment.

I can discover no helpful information in respect of the holders' status under loss or robbery, and I now offer the results of my direct inquiries. It is difficult to define the lawful owner's position in relation to the receipt of interest and repayment of principal (when the term of the loan has expired) under the contingencies I have mentioned. So far as I can ascertain, the condition would be the following : (it is here, parenthetically, to be borne in mind that, if such Bonds were stolen, they might be sold to an innocent purchaser for full value, who could not be privy to the theft, since securities of this nature, as I have stated, may pass from person to person without a memorandum of transfer, no owner's name appearing upon them in any form.)

Immediately, then, on the loss or theft the owner should write to the bank or agent giving the number and amount of the Bond, and request its stoppage, assigning the reason; if he does not possess the number (and he should accordingly keep a full Register of the details of his investments) he will be able to obtain it from the stockbroker through whom the Bond was bought; if the coupon should be presented for payment, or the Bond for redemption (since the stolen or lost security might, as I have said, be sold to an innocent buyer), the bank or agent,

detached and given up as required. They are really certificates of indebtedness for the interest.